

# **EXHIBIT A**

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW JERSEY  
CIVIL ACTION NO. 97-3407 (DRD)

WALSH SECURITIES, INC., :  
Plaintiff, : DEPOSITION UPON  
v. : ORAL EXAMINATION  
CRISTO PROPERTY MANAGEMENT, : OF  
LTD., et al., : ROBERT WALTER  
Defendants. : SKOWRENSKI, II

COPY

T R A N S C R I P T of the  
stenographic notes of STANLEY B. RIZMAN, a Notary  
Public and Certified Shorthand Reporter of the State  
of New Jersey, Certificate No. XI00304, taken at the  
offices of Manning, Caliendo & Thomson, PA, 36 West  
Main Street, Freehold, New Jersey, on Tuesday, May  
25, 2010, commencing at 10:12 a.m.

Skowrenski - direct

<p>1 Q Which individuals?</p> <p>2 A The loan originators.</p> <p>3 Q How would the loan originators make</p> <p>4 that decision? Why would they choose Walsh? Why</p> <p>5 would they choose Aimes?</p> <p>6 A That was one of the responsibilities of</p> <p>7 the wholesale Account Executive. There was an</p> <p>8 Anthony D'Apolito for every one of these lenders</p> <p>9 that would come and solicit my guys' business.</p> <p>10 Either through the combination of the</p> <p>11 relationship -- if pricing, for example, fit.</p> <p>12 Either doing business. They would make a selection.</p> <p>13 Q Did Walsh have any programs that were</p> <p>14 unique to Walsh?</p> <p>15 A I don't recall particularly the</p> <p>16 program.</p> <p>17 Q Were all of Kane's loans sold to Walsh?</p> <p>18 A I don't believe all of them. No.</p> <p>19 Q Where else were Kane's loans sold to?</p> <p>20 A I don't recall who. I believe there</p> <p>21 was a couple that went to or some that went to</p> <p>22 Coastal, though.</p> <p>23 Q The "Coastal" you're referring to is</p> <p>24 not the title insurance agent?</p> <p>25 A Yes. Correct.</p>	<p>50</p> <p>1 BY MR. KOTT:</p> <p>2 Q My words might be unartful. Let me</p> <p>3 tell you what I'm trying to ask you. If a lender --</p> <p>4 withdrawn.</p> <p>5 If a broker came in and he would</p> <p>6 qualify for one type of loan but National Home</p> <p>7 Funding put him in a more expensive loan for him,</p> <p>8 would Walsh compensate National Home more than they</p> <p>9 would than if they put him in the loan that he</p> <p>10 qualified for?</p> <p>11 MR. MAGNANINI: Objection to form.</p> <p>12 A This one I can answer?</p> <p>13 Q Yes. Unless your attorney tells you</p> <p>14 you can't.</p> <p>15 A I don't believe so.</p> <p>16 Q Why do you say that?</p> <p>17 A Because I don't have any recollection</p> <p>18 of how it worked back then.</p> <p>19 You have to understand I'm measuring</p> <p>20 today's knowledge with 14 years ago.</p> <p>21 Q You described the structure of what</p> <p>22 Walsh funded and Walsh underwrote. Do you remember</p> <p>23 all of that?</p> <p>24 A Yes.</p> <p>25 Q To whom was the title insurance policy</p>
<p>51</p> <p>1 Q Another entity that happens to be</p> <p>2 called Coastal?</p> <p>3 A The wholesale lender.</p> <p>4 Q How did National Home Funding make</p> <p>5 money on loans it sold to Walsh? Sorry. Shall I</p> <p>6 call it "broker"?</p> <p>7 A How we make money in a scenario like</p> <p>8 that. A typical wholesale-retail relationship. We</p> <p>9 are giving pricing in a wholesale model that is</p> <p>10 marked up, for all intents and purposes, and that</p> <p>11 spread is our profit.</p> <p>12 Q With respect to Walsh in particular,</p> <p>13 were the financial incentives on National Home</p> <p>14 Funding to sell somebody a loan that was more</p> <p>15 expensive than the person needed?</p> <p>16 A No.</p> <p>17 Q Why do you say that?</p> <p>18 A It was no different than any of the</p> <p>19 lenders in the sub-prime world. I don't</p> <p>20 differentiate them. It was just sub-prime paper.</p> <p>21 Q If a particular lender -- withdrawn.</p> <p>22 I'm sorry. If a particular borrower --</p> <p>23 MR. MANNING: I have to get that call.</p> <p>24 Sorry.</p> <p>25 (Recess.)</p>	<p>53</p> <p>1 issued? Was it issued to Walsh or was it issued to</p> <p>2 National Home Funding?</p> <p>3 A I believe the way they were funded</p> <p>4 through Walsh -- we were cable funding. So that</p> <p>5 meant we closed in NHF's name with Walsh's money.</p> <p>6 So we would do an assignment, an allonge, prior to</p> <p>7 closing. That would mean we were the -- NHF was the</p> <p>8 lender of record. So I believe that the title</p> <p>9 policy should be in NHF's name.</p> <p>10 Q You used the word "allonge." Can you</p> <p>11 put that in lay terms, what that is?</p> <p>12 A The allonge in the assignment gave all</p> <p>13 rights instantly in that loan over to the funder.</p> <p>14 Q Did Walsh set up its relationship with</p> <p>15 National Home Funding such that National Home</p> <p>16 Funding would be the named insured under the title</p> <p>17 policy?</p> <p>18 A I believe that was their model at the</p> <p>19 time.</p> <p>20 Q If I refer to a closing service letter</p> <p>21 or closing-protection letter, do you know what I'm</p> <p>22 referring to?</p> <p>23 A By name and by look, yes.</p> <p>24 Q Calling your attention, for instance,</p> <p>25 to Skowrenski Exhibit 2. Exhibit B, which is a</p>

14 (Pages 50 to 53)